



Report to Cabinet

Item number: 7

Contains Confidential or Exempt Information	No
Title	Preparations for Exiting the European Union
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Portfolio(s)	Cllr Bell – Leader
For Consideration by	Cabinet
Date to be Considered	19 March
Implementation Date if Not Called In	
Affected Wards	All

Purpose of Report:

The purpose of this report is to highlight the ways in which the council and the services it provides will potentially be impacted by the UK's withdrawal from the European Union on the 29th of March 2019. It also highlights the implications of Brexit for residents of the borough and the local community.

Our priority is to ensure our residents are supported and the council's contingency planning is being undertaken in line with advice from the Local Government Association, London Councils, the London Resilience Forum and from technical guidance and instructions that are being issued by Government departments. This report outlines the work undertaken so far and the further work that is required over the coming weeks.

1. Recommendations

1. Note the implications for the council and the borough of the issues highlighted in report.
2. Note the work being undertaken to prepare for a 'no deal' scenario for the UK exiting the EU on 29 March 2019 – in Action Plan at **Appendix 1**.
3. Endorse the statement that, 'The Borough of Ealing has, and always will be, open, inclusive and welcoming to all'.
4. Note the objectives for delivering the council's community leadership role and supporting EU residents, staff and local businesses with information to help them manage the transition.

2. Reason for Decision and Options Considered

Currently the UK is due to exit the European Union on 29 March 2019. There is still no clear indication on whether the UK will leave with a deal or without a deal. At the time of writing Parliament is scheduled to vote on the Prime Minister's deal on 12 March. If that vote passes, then the UK will leave on the terms set out in the Withdrawal Agreement. If it does not there will be a vote on whether parliament accepts no deal. If that does not pass a range of options exist most likely the Government would seek an extension to the negotiating period, although this would be subject to EU agreement. However, as has also been widely discussed the implications of Brexit, and particularly the short-term implications of a no deal exit are potentially significant. In line with national and regional authorities the council has been considering the implications of Brexit and as the 29 March approaches it is appropriate to update Cabinet on that work.

3. Key Implications

Context

60% of Ealing's electorate voted to remain in the EU in the 2016 referendum. In an April 2018 meeting of the full council a motion was backed that called for the government to guarantee the rights of all EU citizens to live and work in the UK now, even in the event of a no-deal Brexit; and also, to give both Parliament and the British public the final say on any Brexit deal.

The 2011 census said that 16%¹ of the borough's population is estimated to be from the EU and the majority of them come from either Poland or Ireland. Businesses in the borough have commercial relationships with many areas of the EU. The potential implications of Brexit for the borough are therefore significant.

In summer 2018, the Government published 77 technical papers and guidance notes to ensure businesses and citizens understand what they would need to do, particularly in a 'no deal' scenario, so they can make informed plans and preparations. Letters were sent to 140,000 businesses nationally and updated Revenue and Customs information packs were sent to firms on possible changes at the border. General consumer advice was also published and propagated via mainstream media in areas ranging from booking flights to using credit cards.

On 18 December 2018, the Government agreed to ramp up no deal planning. This has significantly stepped up central Government activity around managing the risk of no deal making this an 'operational priority'. The Ministry of Housing, Communities and Local Government has also set up a Local Government Delivery Board and has arranged a series of regional roadshows

¹ Latest available data for EU nationals in Ealing is from the Annual population survey for 2018. That shows that 55,000 people in Ealing were born in the EU – 16% of the population.

for council. As part of this approach more information is being made available to local councils to assist their preparations.

The Government has in recent weeks agreed to set aside £2bn for a No Deal Brexit in case the UK leaves on 29 March without any deal. It was announced that the Ministry of Housing, Communities and Local Government would receive £35m. This equates to Ealing and other unitary Local Authorities receiving around £210,000 over two years.

Although it has been emphasised by the Government that a negotiated deal is still its preferred option, recent defeats in Parliament to even 'neutral motions' and 'minor amendments' to the Withdrawal Agreement means that the threat of the UK leaving without a deal remains a real possibility. Further to this the uncertainty caused by the Government's defeat in parliament and their ongoing attempt to renegotiate is impacting planning. Lack of certainty on how we will be leaving the EU, means that services are planning for a scenario which may never occur.

The Institute for Government published an assessment² of the national readiness for a no deal Brexit in January 2019. This concluded that there was significant risk related to legislative readiness with it being 'unlikely' that the Government will be able to get the six outstanding Brexit bills through Parliament in time and only around 100 of the 600 statutory instruments required for a no deal Brexit having made their way through Parliament at that point. The report also emphasised the significant implementation challenge given that other major national changes for business and citizen often have a lead in time of years which could be compressed to weeks in some cases in the event of a no deal exit on 29 March.

The Secretary of State for Housing, Communities and Local Government wrote to the Leaders of all English local authorities on 31 January setting out a 'checklist'. This is attached at **Appendix 2**. The council has reviewed this and believes that the Action plan at **Appendix 1** addresses these key issues in as far as the council is able to. However, it must be noted that the mitigation of many of these risks lies at national level. Many local authority leaders have expressed frustration that the step up in no deal planning by Government has happened very late and that local action is occurring in an environment of considerable uncertainty. These concerns are shared in Ealing.

Since mid-2018 Ealing council has been coordinating services approach to contingency planning for Brexit and the focus of this planning has moved to planning for no deal. These preparations include considering the impact on our residents, our workforce, delivery of goods and services and community cohesion. We are also contributing to a pan-London picture for both the potential short and long-term effects on London Local Authorities by supporting weekly reporting to the Ministry for Housing, Communities and Local Government (MHCLG).

² <https://www.instituteforgovernment.org.uk/sites/default/files/publications/brexit-two-months-to-go-final-web.pdf>

Local Government Association Guidance³

Local Government Association (LGA) produced a briefing note in October 2018 to identify the top-line issues for councils and highlighted where clarity needs to be provided by Government. The LGA have particularly sought to emphasise that in the immediacy of exit under no deal, the sector would need:

- a) Compensation for the additional costs to councils from any new tariffs on imports from the EU;
- b) Immediate UK replacements where we rely on EU processes now (e.g. procurement); and
- c) The opportunity to immediately reform some EU laws which constrain local economies (such as procurement and state aid).

Government Technical Notes for No Deal

In July 2018, the Government began publishing a series of technical notices to ensure that businesses and citizens understand what they would need to do in a 'no deal' scenario. As Government papers were published, the LGA have analysed them and an initial checklist for councils to use to consider any local impacts and to aid local preparations. We are using this to inform our contingency planning.

The UK Exits with a deal

No deal Brexit poses a number of fundamental, wide-ranging and complex challenges for the Council. However, it is likely that an orderly withdrawal from EU will still have an impact, although this will take time to manifest and it will be difficult to predict what these long-term impacts will be as the future trading arrangements with the EU will still need to be agreed. The consensus view is that it is likely that during this period much of the economy will grow at a low rate and foreign investment into the UK will be curtailed.

The bank of England⁴ Inflation Report for February 2019 indicates that UK GDP growth appears to have slowed and is expected to remain subdued over much of 2019, reflecting both weakening global growth and the intensification of Brexit uncertainties. The impact of those uncertainties is projected to wane gradually if there is a of a smooth withdrawal of the UK from the EU. If this is the case UK GDP growth is likely to pick up later this year and is expected to be a little stronger in the medium term. Although it remains modest by historical standards. However, this scenario of leaving the EU with a deal is still preferable to leaving with no deal, as the impacts will be less immediate and easier to manage.

³ <https://www.local.gov.uk/topics/european-and-international/brexit>

⁴ <https://www.bankofengland.co.uk/-/media/boe/files/inflation-report/2019/february/inflation-report-february-2019.pdf?la=en&hash=8487F69ED26692F4697D363A4E47111D1B0503D3>

Local Planning in Ealing

Ealing aims to try to mitigate any negative impacts of Brexit on our staff, residents, businesses and the council in general. The lack of clear guidelines and planning assumptions from central government has curtailed planning for Brexit. The Ealing is home to people from all over the world who make a huge contribution to the community and this includes around 55,000 people from other countries in the European Union. Ealing Council believes diversity is one of the boroughs greatest strengths and wants to protect the rights of all its residents, including EU citizens.

Local planning to understand the potential impact and risks from exiting the EU either with or without a deal has been discussed by senior officers within the council, the Chief Executive and a number of reports have been presented to corporate board. These has considered the risks and impacts for the council and wider implications for our local community.

To further prepare the council The Ealing Brexit Preparedness Planning Group has been established. This group comprising cross service representatives provides an overview of the following:

- a) Better understand the likely impacts on services of Brexit including a no-deal Brexit.
- b) To maintain oversight of preparedness.
- c) To monitor and report on issues experienced by services during the run up to and the period after Brexit on the 29th of March 2019.

Impacts and Risks for the Council

Ealing has undertaken a review of some of the key impacts on services and identified some cross-cutting risks that will affect multiple services and are broadly identified as workforce, legislation, health and social care, community and specific service areas.

I) Workforce

The council has 123 staff recorded as non-British EU nationals. This number is likely to be higher as only 55% of staff have chosen to record their nationality previously. Regardless of the terms that we leave the EU on after the 29th of March these staff (excluding Irish nationals) will need to apply for the EU Settlement Scheme. Their current 'right to work' checks will apply until the end of 2020. There will be no change to the rights and status of EU citizens living in the UK until 2021 and they will also need to apply for the EU Settlement Scheme. The planned payment for the settlement scheme has been rescinded by Government and will now be free for EU nationals.

Nevertheless, there are concerns that council services which are heavily reliant on a non-UK EEA workforce may face substantial recruitment and retention issues. Beyond this, recruitment across key low-wage sectors remains a concern, particularly within adult social care, highways

maintenance and construction sector. Future recruitment will be inhibited by end of freedom of movement and the possible implementation of new immigration rules which would restrict immigration on jobs paying under £30,000 p.a.

To address these issues the council is looking to review the current workforce and understand the service areas where there might be the most significant implications of a high proportion of EU nationals. This will also look at the care sector and the workforce of the council's contractors. As part of this work HR will be looking at the options for supporting staff that will need to apply for Settled Status. . The council will also be responsible for making applications for settled status on behalf of looked after children in its care who are EU nationals.

II) EU Law and Regulations

EU law and regulation underpins many council services (such as waste, workforce protection and environmental standards). The Withdrawal Act 2018 provided for all EU law to be brought into UK law to ensure that there was legal certainty for businesses and residents. The Withdrawal Act is now law and this legal certainty remains in place under No Deal. However, many UK laws refer to EU regulations or to EU agencies. The Withdrawal Act gives ministers the ability to amend such laws where EU institutions or processes are mentioned. In addition, the Government is seeking to pass bills relating to areas including Agriculture, Fisheries, Healthcare, Immigration and Trade which as noted above at the time of writing are considered unlikely to receive Royal Assent before 29 March.

The LGA have been assured that the principle that the Government is working to is that of continuity (at least in short-medium term) and naming UK successor agencies to EU regulators. Under No Deal, all these legal changes to UK law need to be in place by March 2019 and relevant information communicated to the sector by Government. Clearly the delay in agreeing the means of Brexit creates uncertainty for numerous services as this will delay the adoption of EU law into UK law. While changes in regulation also mean that local authorities are asked to do more (e.g. on imports, or export certification) at a time when resources are very stretched and amending local authority delegated powers and officers' authorisation can be time consuming.

There are EU data bases that council officers use for example, 'The Rapid Alert System for Food and Feed (RASFF)'. While the UK is negotiating access to these systems it is possible that access to this system will be limited. As such Regulatory Services is working to access the impact to Ealing and working with Government Departments to put in place mitigation.

Another significant area of European legislation affecting the council will be the General Data Protection Regulations (GDPR). The Information Commissioner has issued guidance to continue to follow GDPR standards which the council will do. Further steps required will depend on the nature of the Brexit deal and will be kept under review.

III) Impacts and Risks for our Community

According to a report put together by London Councils on the implication of exiting the EU, over one third of Londoners were born abroad (from around the world) with migrants being a key part of local communities and the economy. As outlined in the report, councils have an important role to play in promoting integration and community cohesion, especially at a time of significant upheaval and uncertainty.

As we prepare for a possible “no deal”, many non-UK EU citizens will be seeking reassurance about their future in the UK. The Government has committed that the “settled status” scheme for non-UK EU citizens will be fully operational by 30 March. In the event of a no deal EU nationals will have to apply by 31 December 2020 (30 June 2021 if we leave with a deal). Most EU national will need to apply although there are exceptions for those with:

- British or Irish citizenship (including ‘dual citizenship’)
- indefinite leave to enter the UK
- indefinite leave to remain in the UK

The council has created a webpage www.ealing.gov.uk/brexit signposting residents to information. This has been supported by a multichannel communications campaign with content in Around Ealing, online, in social media and in targeted e-newsletters. The council will also be participating in the voluntary Assisted Digital Service to support applications where residents. This service will be chargeable.

Racist hate crimes rose across London in the year after the Brexit referendum, but have been decreasing toward pre-referendum levels. The future impact of Brexit on hate crime may depend on how the potential outcomes of ‘no-deal’ or a deal where freedom of movement was retained to some degree was portrayed in the press and social media.

It is understood that the National Police Coordination Centre has drawn up contingency plans for a no-deal exit, including for general public unrest. Unrest and an increase in acquisitive crime could occur in the event of interruptions in the supply chain leading to a shortage of vital items such as food and medicines. The prioritisation of resources to deal with these issues could lead to significant disruption to local Policing for a prolonged period of time.

Depending on the nature of the exit the Police could lose access to European intelligence system and the European Arrest Warrant which allows EU members to request the arrest and detention of criminals in other countries without extradition talks between them. This could impact on the Police’s ability to identify and extradite criminals who were foreign nationals, particularly for transnational serious organised crime.

IV) Health and Social Care

In December 2018, the Department of Health and Social Care issued guidance to all adult social care and NHS providers outlining the steps they should be taking to prepare for a no deal EU exit. The focus of that communication was on ensuring that providers are prepared for the impact on supply chains, workforce, medicines and data availability.

This guidance is currently being reviewed by Adult Social Care and Public Health to ensure all appropriate contingency plans can be in place, where practicable.

It has also been suggested that a no deal Brexit may result in UK citizens living in the EU to return to the UK, and this could be expected to increase demand for adult social care and NHS care. However, it is not possible to know how many will return to Ealing and how many would have any care and support needs.

V) Environmental Services

Ealing Councils contractor Amey, has been actively planning for Brexit and has developed a number of contingencies to ensure that maintain their staffing levels and service continuity in the event of a no-deal Brexit these include:

Staffing

- Amey has instigated a programme of direct recruitment to lessen their reliance on agency staff;
- Attempting to recruit 10% more staff than are immediately needed by mid-March 2019 in order to act as a buffer during the Brexit transition;
- Whilst unlikely - if a significant and sustained labour shortage were to manifest – Amey would look to coordinate with the client to prioritise certain key service deliverables over others to ensure resource is targeted in accordance with the Authorities priorities.

Vehicles and equipment

- Amey has structured the purchase of new vehicles required to deliver contract services to be delivered prior to Brexit to minimise our exposure to supply issues.
- They have contracts with hire companies should vehicles be required due to breakdown and they will retain some of their de-mobilising fleet
- They have bunkered fuel storage should fuel supply become an issue;
- Amey have undertaken a review of their suppliers sacks, food caddies and four-wheeled receptacles to ensure these are available from UK manufacturers;
- Two-wheeled containers are imported from Europe with few domestic alternatives available at the required quality and is working with the manufacturer to ensure stability of supply

VI) Wider Public Services Impact

As part of the work undertaken by the Brexit Preparedness group some of the key impacts and risks that services are considering are:

- a) Impact on the supply chain – outlined above in relation to environmental and social care services but potentially having wider impacts.
- b) Impact on environmental services, particularly the exporting of recycling.
- c) Impact on housing and regeneration e.g. increased costs of borrowing, construction and workforce shortages combine to delay or make it difficult to achieve our affordable housing strategy. The Government has made a welcome commitment to a guarantee for local regeneration currently funded from the EU but this does not cover the full range of concerns.
- d) Impact on regulatory services – there are a considerable range of potential implications on trading standards and food safety standards which, depending on the nature of the Brexit deal struck could have significant implications for local businesses involved in import and export and impose additional administrative burden on the council – for example if export health certificates for food products become a requirement for export to countries within the EU. This area will need to be closely monitored.
- e) Impact on homelessness prevention; there are concerns about the impact of EU nationals who are currently residing in Ealing and their eligibility for public funds from July 2021. Some EU nationals may not be able to gain settled status and therefore rights and access to housing, welfare benefits and support for some groups could reduce in the future. This has the potential to lead to increased homelessness (including rough sleeping) and budgetary pressures on no recourse to public funds support.

To ensure that Ealing is prepared for the impacts of Brexit and other disruptive events, the council has instructed services to review business continuity plans as part of the annual review and has convened a Brexit preparedness group for services to support planning for a no-deal scenario.

The delay in the UK's departure from the EU could possibly result in participation in the forthcoming European parliamentary elections. This would incur a significant cost to the council and logistically would be challenging. Locally registered EU electors` are required to complete and return a form that allows them to vote in European Parliamentary Elections locally (i.e. cast their vote in Ealing as opposed to their member state). The form is referred to as an EC6 form. Such forms are usually sent out six months in advance of a European Parliamentary Election. Due to Brexit, no such forms have been sent to EU Electors. To address this Elections team has begun contingency planning for a range of potential eventualities.

Work has also been undertaken to ensure that the councils insurance will not be impacted should there be a no deal, by ensuring that all the insurance companies we deal with via our brokers are or have made provisions for this scenario. Some councils are insured by companies registered in the EU and if the passporting arrangements are not in place for a hard Brexit, authorities may not have appropriate insurance cover and may have to review the provision of some services.

The council through the Borough Resilience Forum is also engaged with contingency planning for potential traffic disruption around Heathrow Airport in the event of a no deal.

VII) Contingency Planning

For London, Contingency Planning is taking place under the auspices of the London Resilience Forum and this work also focused on the impacts from a 'no deal' scenario. Ealing is playing an active part on this planning and is contributing, with all other London Boroughs, to information requests on impacts and implications as we further refine our understanding the impacts of a 'no deal' scenario.

At a borough level Ealing is engaging with partners through the Borough Resilience Forum and Safer Ealing partnership to understand the impact of Brexit for Emergency Services and other key partners.

There is also an ongoing need for a joined-up approach, both to the reporting and sharing of information and good practice on Exiting the EU and preparedness by London Boroughs. Further to ensure that government is sited on local issues and issues and trends can be identified, the UK has been divided into 9 hubs, with each hub represented by a Local Authority Chief Executive. London is one of these hubs and is represented by Chief Executives of London Councils. To ensure they are aware of all the latest information there is a requirement to establish a weekly reporting structure across London, which will reflect the resilience reporting lines currently established and tested in the capital. This started 6 February 2019 and will continue weekly until the end of April.

The Emergency Management Service (Civil Protection Team) has undertaken a number of actions to prepare for a No Deal Brexit. These include the reviewing of our fuel shortage plan, including confirmation that our designated fuel station is aware of its status. Emergency Management Service (EMS) will also be undertaking a review of our animal diseases plan, so that we have effective capability should no-deal lead to increase in outbreaks of notifiable animal diseases. (Possibly caused by changes in the regulations governing the import and export of livestock). We have also undertaken a review of our business continuity plans to ensure that our services are able to respond to disruptions brought about by the transition period. Brexit has also been discussed at our Borough Resilience and Health Protection Forums to share progress of multi-agency partner planning and preparations.

However, in terms of planning for food shortages and medical supplies, preparations for these scenarios are being undertaken at a national / regional level.

The planning for the provision of medical supplies is being undertaken by the Department of Health and Social Care. They have so far undertaken an assessment of medicines supply to identify products that have a manufacturing touch point in the EU or wider European Economic Area countries. They are also developing a six-week stockpile of prescription only medicines and pharmacy medicines to ensure supply for patients is maintained across the NHS. Amongst other preparations the government has also put in place legislation to enable Ministers to issue protocols that, where appropriate, enable community pharmacies to dispense against a protocol instead of a prescription.

In terms of planning to ensure the continuity of London's food supply the process is being led by the London Resilience Forum (LRF). The advice from central government is that there is no assumption that a no deal Brexit will lead to a shortage of food, just potential for a reduction in choice. Therefore, on the face of it no requirement for local authorities to put in place plans to assist residents with potential shortages.

However, the LRF is being asked by central government to identify potential areas where there could be impacts for vulnerable people / groups if, regardless of cause, a shortage of choice leads to increased prices or shortages in specific local areas. In London, this planning is being championed by the Deputy Mayor for Fire and Resilience and have also been focussing on this potential issue and a related point on potential impact on food banks and those who rely on food banks. EMS is engaged in this planning and will be implementing any recommendations that they issue to support local planning.

Finally, should a no-deal Brexit lead to protest or public disorder EMS has been liaising with emergency services through the Borough Resilience Forum so that plans are in place to ensure the safety of our residents. The Major Emergency Plan has been rewritten and EMS is recruiting more Emergency Response Officer and has implemented a training programme for Gold (strategic) and Silver (tactical) officers to ensure the council has effective command and control processes in place before the 29th of March.

VIII) Local Economy, Businesses and Financial Impacts

The direct effect of a poor outcome from Brexit is dependent upon which sectors are affected. Any hindrance to movement of goods will in the first instance effect factories and warehouses and eventually move to shops and small enterprises.

If importing and exporting of goods is not affected by Brexit but the country enters a recession, Business Rates collection in the first year is not likely to

drastically reduce. This is because effect on bigger companies will take longer to materialise. However dependent upon how deep and long the recession is we would start to see effects on the larger businesses which if this led to closures will have a significant effect on collection. Should this manifest and growth stall this would be a significant risk to the business rate pilot scheme.

Fluctuations in the pound may further impact on businesses either based in the borough or with stores in the borough and lead to price rises or declines in profits. Further to this economic instability may lead to uncertainty in the housing and building market which may impact on the councils housing and regeneration schemes. Regeneration colleagues report that they are already seeing the impact of uncertainty on private investment decisions which are being put on hold prior to clarity on the nature of Brexit.

To support local businesses the Council has been updating the council website to signpost them to the Governments advice papers on preparations for a no deal Brexit. There have also been direct communications to the 10,000 businesses on the council's contact data base and through the business rates demand letter.

The knock-on effect upon the borough in terms of an increase in unemployment could result in increased applications for Universal Credit, rent and Council Tax arrears. This could put additional pressure upon the service to provide a collection service as contact and action to recovery unpaid debts increases. There is therefore the potential in the medium term for increased pressure on the council's budget, although it is too early to quantify this. In addition, as has been seen on a number of occasions, the government may introduce national reduction schemes. These schemes are often put together quickly and often result in additional work for the service.

The cost of living could be exacerbated by Brexit. According to a JRF report, 'How could Brexit affect poverty in the UK?', the cost of living for the average UK household has increased by over £400 a year since the EU referendum (through the fall in sterling and rise in interest rates). The report suggests real wages would fall by 1.0% in the event of 'no-deal', with prices rising by up to 3%, increasing vulnerability to debt and homelessness. This could increase the need for homelessness prevention, budgeting support, discretionary housing payments, as well as temporary accommodation. It could also increase the amount rent and council tax arrears.

The West London Economic Prosperity Board published a Brexit Analysis⁵ on west London Boroughs. They identified the following macro-economic issues for West London Boroughs.

Exposure to EU markets: Approximately 26% of London's businesses export to the EU (£120.8bn of goods and services in 2014) and 19% import from the EU across all sectors. Different local authorities have various levels of exposure throughout their organisational supply chains.

⁵ [West London Prosperity Board – Brexit Analysis](#)

Business relocation: Relocation of businesses outside of the UK is a potential issue, particularly for sectors and businesses with significant international connections. It should be noted that not every business relocating abroad will be doing so for Brexit-related reasons.

Exchange Rate Impacts: A prolonged weakness in the pound will have significant structural impacts in the medium and longer term, in particular reducing income growth and demand for goods and services (per-capita, via rising prices). This will make importing more difficult for companies with international supply chains or customer markets, but also make the exporting of goods and services more competitive as exported goods become cheaper for foreign customers, particularly in the shorter term.

Private Investment: Many private investment decisions have been on hold since the referendum, with investment falling even lower over the last quarter, potentially resulting in a lower long-term rate of growth becoming hard-wired into the structure of the economy. A harder or uncertain Brexit is likely to prolong this period as some private firms will feel that they are less likely to generate a viable return on that investment. There is a risk that investments intended for the UK are made abroad if longer-term expectations about return on investment do not improve. This has implications for employment levels, living standards, and future competitiveness. It also suggests that interventions aimed at boosting investor confidence and reducing uncertainty may be particularly important.

Business continuity: Impact on businesses that remain, which are potentially numerous and relate mainly to labour force dependence on EU workers, new trade barriers, and exchange rate effects on competitiveness

IX) Communications

The council as a leader of place has a key role to play and communications are central to this. The council's communication plan sets out how we are keeping our staff, residents and businesses informed about what they need to do to prepare for Brexit. We will continue to inform people about the plans the council has in place, and how and how we will seek to influence key decision-makers to work to limit any negative impacts of their decisions on the borough. The council's objectives are to:

1. Ensure that all our key audiences are aware of any action they need to take and where to get help if required.
2. Reassure residents that the council has plans in place for Brexit, based on the information available.
3. Ensure residents and staff who are EU citizens know they are welcome in Ealing and that the council values them and wants them to stay.
4. Keep staff informed of our plans, and ensure they know what they need to do to support those plans.

5. Support community cohesion by identifying and explaining the contribution to the life of the borough that EU residents and businesses bring.

A dedicated web page on the council's website has been created. www.ealing.gov.uk/Brexit It holds current and relevant information for both EU residents and businesses. In addition, we are continuing to use our range of communication channels including:

- social media to promote awareness and community cohesion messaging.
- Around Ealing and Ealing News Extra.
- Council Tax and Business Rate bill letters
- the council's business e-newsletter which goes to approximately 10,000 Ealing businesses
- Intranet, Inside Ealing and other staff channels

4. Financial, Resource and Property Implications

The council is expected to receive £0.210m to support appropriate contingency planning for exiting the EU. £0.105m will be received in 18/19 and the same in 19/20 as per letter Ministry of Housing, Communities and Local Government (MHCLG) letter dated 28th January, 2019.

It must be noted that the actual cost of the UK leaving the EU with or without a deal and its direct impact on Ealing is unknown. The true impact will not be known till sometime in the future.

It is also worth noting the important points raised by the JRF report which could potentially have financial implications (homelessness prevention, budget support, discretionary housing payments, increase in rent and council tax arrears) for the Council – (i) exacerbated cost of living affecting households; (ii) possible fall in real wages by 1%; (iii) price increases by up to 3% increasing vulnerability to debt and homelessness.

5. Legal

As set out in the report, the effect of Section 1 of the European Union (Withdrawal) Act 2018 is that the European Communities Act 1972 will be repealed on “exit day”, defined as 11pm on 29th March 2019, and the United Kingdom will cease to be a member of the European Union on that date.

The 2018 Act provides for legal continuity – that is that EU derived domestic legislation, and EU legislation that has direct effect in domestic law, will continue in effect after exit day, subject to amendments reflecting that EU bodies will no longer have jurisdiction in the United Kingdom.

These provisions of the 2018 Act will take effect (unless repealed or amended) whether or not the UK and the EU agree the terms of a withdrawal agreement.

6. Value for Money

We will need to carefully monitor the impact of any changes on our services and budgets, particularly if supply chain costs increase e.g. materials and fuels.

7. Sustainability Impact Appraisal

We will need to carefully monitor the impact of Brexit on sustainability.

8. Risk Management

Exiting the EU is on the council's corporate risk register and continues to be monitored internally and the risk register.

9. Links to Strategic Objectives

There is no direct link to the council's corporate priorities however, maintaining community cohesion through any period of change will be a priority for the council.

10. Human Rights, Equalities and Community Cohesion

The Human Rights Act was passed into UK law in 1998. The human rights contained within this law are based on the articles of the European Convention on Human Rights. The Act 'gives further effect' to rights and freedoms guaranteed under the European Convention. It is unclear which EU-origin laws and regulation that the UK will continue to adhere to or seek to repeal.

Many areas saw a rise in reported hate crime immediately following the referendum result and there is evidence, collected both locally as well as regionally and nationally that shows different European communities expressing concern about the future. In the lead up to and following the date of the exit of the UK from the EU there could be implications for community cohesion within the borough and the potential for an increase in instances of hate crime.

11. Staffing/Workforce and Accommodation implications

The report outlines the support to staff affected.

12. Property and Assets

None.

13. Any other implications

None

14. Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Kieran Read	Director	18/02/2019	19/02/2019	3. Key Implications
Helen Harris	Director, Legal Services	20/02/2019	22/02/2019	5. Legal
Charles Cato	Finance Officer	25/02/2019	26/02/2019	4. Financial
Julian Bell	Leader / Cabinet Member for:	27/02/2019	28/02/2019	3. Key Implications

15. Timetable for Implementation

See appendix 1 – Ealing Council Brexit Action Plan.

16. Appendices

- Appendix 1 - Ealing Council Brexit Action Plan.
- Appendix 2 – Secretary of State for Housing Communities and Local Government – Brexit Checklist

17. Background Information

- <https://www.gov.uk/settled-status-eu-citizens-families/eligibility>
- <https://www.instituteforgovernment.org.uk/sites/default/files/publications/brexit-two-months-to-go-final-web.pdf>
- <https://www.local.gov.uk/topics/european-and-international/brexit>
- www.ealing.gov.uk/brexit